

MINUTE ITEM

17. APPROVAL OF PILOT WATER INJECTION PROGRAM, SIGNAL OIL AND GAS COMPANY, HUNTINGTON BEACH FIELD, ORANGE COUNTY - W.O. 3222.

After consideration of Calendar Item 30 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE THE PROGRAM SUBMITTED BY THE SIGNAL OIL AND GAS COMPANY PROVIDING FOR A PILOT WATER INJECTION PROGRAM IN SPECIFIED SANDS OF THE JONES ZONE OF THE HUNTINGTON BEACH TIDELAND OIL FIELD, WITHIN THE AREA OF OIL AND GAS LEASE 392.1, ORANGE COUNTY.

Attachment

Calendar Item 30 (1 page)

CALENDAR ITEM

30.

APPROVAL OF PILOT WATER INJECTION PROGRAM, SIGNAL OIL AND GAS COMPANY, HUNTINGTON BEACH FIELD, ORANGE COUNTY - W.O. 3222.

Agreement for Easement 392.1 was issued September 26, 1938, pursuant to competitive public bidding, to Southwest Exploration Company for a term of 20 years. On September 25, 1958, in accordance with the provisions of Section 6827 of the Public Resources Code, new Oil and Gas Lease 392.1 was issued in exchange for Agreement for Easement 392.1. Oil and Gas Lease 392.1 is now held by the Signal Oil and Gas Company.

The Signal Oil and Gas Company now proposes to initiate a pilot water flood test of specific sands in the Jones Zone within the leased area. It is the opinion of the operator, concurred in by the staff, that this program presents a strong possibility of success and should result in the recovery of materially more crude oil from the pool than would be attained by continued primary methods. Production rates will probably be increased. In the event results from the pilot flood indicate that the program is successful, an expansion of the injection program will be considered.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO APPROVE THE PROGRAM SUBMITTED BY THE SIGNAL OIL AND GAS COMPANY PROVIDING FOR A PILOT WATER INJECTION PROGRAM IN SPECIFIED SANDS OF THE JONES ZONE OF THE HUNTINGTON BEACH TIDELAND OIL FIELD, WITHIN THE AREA OF OIL AND GAS LEASE 392.1, ORANGE COUNTY.